

Montaigu-Vendée, March 25, 2025 – 6 p.m.

HERIGE: 2024 RESULTS

- | **Operating performance affected by a market in crisis**
- | **Net income impacted by the €15.2 million impairment of goodwill with no cash effect**
- | **Significant strengthening of the financial structure with net cash of €58.5 million**
- | **Performance initiatives for profitable, sustainable growth to continue throughout 2025**

HERIGE has released its audited results¹ for the 2024 financial year. The consolidated financial statements were examined by the Supervisory Board at its meeting on March 21, 2025.

French GAAP – € million	2023 reported	2023 ² Proforma basis	2024 ² Proforma basis	2024 reported ³	Change Proforma basis
Turnover	835.6	460.8	406.1	525.7	-€54.8m
EBITDA⁴	46.8	36.1	19.5	19.2	-€16.6m
EBIT⁵	25.6	21.6	4.6	1.9	-€17.0m
Net income	9.4	10.3	15.4	11.1⁶	+€5.1m

Commenting on the Group’s annual results for 2024, Benoît Hennaut, Chairman of the Executive Board of HERIGE Group, said: “As anticipated, the construction and building sector, both new and existing, experienced a sharp downturn in 2024.

This unprecedented crisis has prompted us to implement major transformations in order to adapt to future challenges and consolidate our strategic positions. Faced with the challenges of a changing market, and in line with our efforts to adapt, HERIGE is stepping up its industrial and sales performance in order to strengthen its operational performance. Early signs of recovery are emerging and expected to continue in 2025, which reinforce our ambition for profitable growth, though we remain cautious against the backdrop of an unstable and uncertain geopolitical environment.”

¹ The Statutory Auditors have audited the consolidated financial statements and their report will be issued to coincide with the publication of the annual financial report

² 2023 figures have been restated to reflect the sale of the businesses sold to SAMSE on 05/01/2024 – 2024 figures do not include discontinued businesses

³ Including businesses sold on a pro rata basis (4 months)

⁴ EBITDA: Operating income + net depreciation and amortization

⁵ Before depreciation, amortization and impairment of goodwill

⁶ Including a net capital gain on disposal of €33.1m/contribution of sold perimeter -€4.4m

A challenging 2024 financial year marked by the crisis in the construction and building market

Notes to the income statement are based on the Group's new scope of consolidation unless otherwise stated.

In 2024, HERIGE posted turnover of €406.1 million, down 11.9% compared to 2023. This downturn reflects a new construction market that remains heavily deteriorated, marked by a drop in individual single-family housing starts over the last 12 months⁷ (down 32.8%), as well as a sluggish economic backdrop, exacerbated by the lack of political visibility regarding support for the renovation sector.

In the context of declining volumes, HERIGE posted a gross margin of €208.0 million, down €20.1 million compared to 2023. However, the gross margin climbed by 1.7 points to 51.2% of turnover. This performance is due, in particular, to post-acquisition purchasing synergies in the Industrial Joinery business.

As a result, 2024 EBITDA totaled €19.5 million, down €16.6 million, representing an EBITDA margin of 4.8%, down 3.0 points on 2023.

HERIGE's operating income came in at €4.6 million (down €17.0 million compared to 2023), representing an operating margin of 1.1% versus 4.7% one year earlier. This decrease was mainly due to a sharp downturn in the market, which was partially offset by the positive impacts of initiatives to improve performance implemented throughout the year, notably on industrial productivity costs, demonstrating the Group's ability to adapt to a deteriorating economic environment.

Impairment of goodwill amounted to €15.2 million in 2024 (with no cash impact) due to the acceleration of the remaining amortization period in the Concrete Industry from the 2023 financial year, and the 20-year amortization period from 2024 for Industrial Joinery (€1.6 million). In addition, the sharp downturn in the market led to the recognition of a €10.0 million impairment loss in the Concrete Industry over the period.

After taking into account a net financial expense of €0.6 million (up from -€3.1 million in 2023) and non-recurring income of €28.2 million including a net capital gain on the disposal of the Building Materials Trading division (€34.8 million before tax) and €6.2 million in provisions relating to the adaptation plan, 2024 net income amounted to €15.4 million.

Very robust financial structure

French GAAP – € million	2023 reported	2024 reported ³	Change	Impact of the disposal of the Building Materials Trading division ⁸	Impact of current flows
Shareholders' equity	145.4	151.3	+€5.8m	+€33.0m	-€27.2m
Net financial debt	156.1	28.1	-€128.0m	-€114.7m	-€13.3m
Net cash position	0.5	58.5	+€58.1m	+€70.7m	-€12.7m
Gearing⁹	107%	19%	-89 bps	-84 bps	-5 bps

⁷ Source: SDES, Sit@del2, estimations as of December 31, 2024

⁸ Including impact of factoring contract exit

⁹ Net financial debt as a percentage of equity

In 2024, despite market turbulence, organic investments in productivity and maintenance were maintained at €14.9 million.

As a result of the disposal of the Buildings Materials Trading businesses, the Group was able to significantly reduce its net financial debt to €28.1 million in 2024 and strengthen Group equity to €151.3 million. As a result, the net debt-to-equity ratio came in at 19%.

Non-payment of the dividend in respect of 2024

In view of the ongoing organizational adaptation project ([see press release dated December 3, 2024](#)) in a deteriorated construction market, the Executive Board will propose to the 2025 Annual General Meeting that no dividend be paid for the 2024 financial year, in order to preserve the Group's financial structure and support its industrial ambitions.

Introduction of new segment information in 2025¹⁰

HERIGE has decided to combine the businesses in its portfolio, where strategic and commercial complementarities have been identified, in order to increase synergies.

This new operational and legal organization comes together with a change in segment information, which will be applied from the 2025 financial year as follows:

"Industrial Joinery" business: integration of the Joinery subsidiary in Canada and transfer of carpentry to the "Other Activities" business.

Outlook and developments

Faced with a rapidly changing market, and in line with the reorganization started in late 2024, HERIGE plans to consolidate its fundamentals to restore sustainable, profitable growth.

As such, the Group's efforts will focus on:

- | Widespread deployment of actions aimed at improving operating performance at all levels and on all scopes;
- | Continuation of the organizational adaptation project, with its forecasts projecting completion by the end of the first half of 2025;
- | Maintaining an innovation drive built around sustainable solutions, integrated into a circular economy with a focus on resource conservation.

While signs of recovery are emerging, HERIGE remains alert to ongoing geopolitical instability, which could weigh on household confidence and consumption.

NEXT PUBLICATION: 2025 Q1 turnover on May 13, 2025 (after the close of trading)

All our financial communications are available on our website: www.herige-industries.fr/en

¹⁰ Changes in segment information in the appendix



HERIGE
INDUSTRIES

PRESS RELEASE

ABOUT HERIGE

HERIGE Industries focuses on two sectors of the building industry: the Concrete Industry and Industrial Joinery. HERIGE is a multi-regional group of Vendée origin, with a workforce of more than 1,800 employees, present in mainland France, Canada and overseas.

HERIGE is listed on Euronext Growth

PEA/PME eligible

Indices: EURONEXT FAMILY BUSINESS, EURONEXT GROWTH ALL SHARE, ENTERNEXT@PEA-PME 150

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APPENDICES

French GAAP - € million	2024 reported			2024 new presentation of segment information		
	Industrial Joinery	Concrete industry	Other	Industrial Joinery	Concrete industry	Other
Turnover	233.7	135.2	37.3	235.9	135.2	35.0
EBIT	8.3	(1.1)	(2.6)	8.3	(1.1)	(2.5)